

Message Text

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ORIGIN COME-00

INFO OCT-01 EUR-12 EA-10 NEA-10 IO-13 ISO-00 DOTE-00
CTME-00 CIAE-00 EB-08 INR-10 LAB-04 NSAE-00 SP-02
STR-07 TRSE-00 FRB-03 OMB-01 L-03 ITC-01 AGR-01
/086 R

DRAFTED BY COMMERCE:RLEVIN
APPROVED BY EB/OT/TA:HKOPP
STR:MSMITH
STR:TSTEWART
COMMERCE:OTEX/MHUTCHINSON
COMMERCE:OCA/VLEWIS
EUR/RPE:PMCLEAN
COMMERCE:OITP/TNAD/MKPRUITT
DOT/WWARTHIN
DOL:DBASS
-----068752 122143Z /73

R 112212Z AUG 78
FM SECSTATE WASHDC
TO AMEMBASSY ROME
AMEMBASSY CANBERRA
AMEMBASSY OTTAWA
AMEMBASSY ATHENS
AMEMBASSY NEW DELHI
AMEMBASSY TEL AVIV
AMEMBASSY ISLAMABAD
AMEMBASSY LISBON
AMEMBASSY MADRID
AMEMBASSY ANKARA
AMEMBASSY BRUSSELS
INFO USMISSION GENEVA

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USEEC
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E.O. 11652:N/A

TAGS:ETRD, IT

SUBJECT:ITALIAN CUSTOMS VALUATION AND PORT RESTRICTIONS

REF: A) ROME 686 B) ROME 2276 C) ROME 8854
D) ROME 11721

1. DEPARTMENT AND OTHER AGENCIES REMAIN CONCERNED WITH CONTINUING ITALIAN PRACTICES THAT AFFECT U.S. TEXTILE PRODUCT EXPORTS. U.S. TEXTILE AND APPAREL EXPORTS TO ITALY HAVE SUFFERED A SHARP DECLINE THIS YEAR:

-	U.S. EXPORTS OF TEXTILES AND			
-	APPAREL TO ITALY			
-	(\$1,000)			
-	JAN-		JAN-	
-	1976	1977	MAY 77	MAY 78

TEXTILES	95,078	82,743	43,762	31,369
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APPAREL	4,199	9,528	5,838	2,778
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TOTAL	99,277	92,271	49,600	34,147
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2. ON FEBRUARY 3 WHEN EMBASSY ROME DELIVERED NOTE ON GOI RESTRICTION OF TEXTILE IMPORTS TO CERTAIN PORTS, GALDI, DIRECTOR OF COMMERCIAL POLICY DIVISION ADVISED: "WAIT AND SEE WHAT DEVELOPS." (REF B) BEFORE DELIVERY OF NOTE GOI HAD RAISED NUMBER OF TEXTILE PORTS FROM SIX TO TWELVE. HOWEVER, SINCE GALDI'S COMMENT, GOI HAS NOT LIMITED OFFICIAL USE

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MODIFIED ITS PORT RESTRICTIONS.

3. ON JUNE 23 EMBASSY ROME DELIVERED NOTE ON ITALIAN CUSTOMS PRACTICES THAT RESULT IN INCREASED TARIFF ASSESSMENTS. (REFTEL D) WE HAVE NOT YET HAD ITALIAN REPLY TO NOTE. ALTHOUGH IMPORTERS MAY BE UNWILLING TO PRESS ISSUE, US EXPORTS CAN ONLY BE ADVERSELY AFFECTED BY A PRACTICE WHICH COULD BE EQUIVALENT TO A 10-12 PERCENT INCREASE IN DUTIABLE VALUE.

4. SINCE GOI HAS NOT RESPONDED TO ISSUES RAISED IN PARAGRAPHS 2 AND 3, EMBASSY ROME SHOULD INFORM APPROPRIATE GOI OFFICIALS THAT IT IS US VIEW THAT ITALIAN CUSTOMS VALUATION PROCEDURES VIOLATE GATT ARTICLES 2:3 AND 7:2. IN ADDITION, THE VALUATION PROCEDURES AND RESTRICTIONS ON PORTS OF ENTRY FOR TEXTILE PRODUCTS APPEAR TO VIOLATE GATT ARTICLE 10:3(A), WHICH REQUIRES CUSTOMS PRACTICES BE CARRIED OUT IN A "UNIFORM, IMPARTIAL AND REASONABLE MANNER." POST SHOULD INDICATE THAT SINCE WE VIEW ITALIAN PRACTICES AS BEING CONTRARY TO ITALY'S OBLIGATIONS UNDER GATT WE ARE CONSIDERING ACTION UNDER GATT ARTICLE XXIII.

5. REQUEST BRUSSELS INFORM EC COMMISSION OF APPROACH TO GOVERNMENT OF ITALY.

6. WASHINGTON AGENCIES ARE ATTEMPTING TO QUANTIFY EFFECT OF ITALIAN ACTION ON U.S. EXPORTERS AND ARE CONTACTING U.S. FIRMS TO LEARN THEIR RECENT EXPERIENCES. WE WOULD APPRECIATE FOLLOWING INFORMATION FROM ROME:

A. HOW FREQUENT IS ITALIAN UPLIFT OF U.S. TEXTILE AND APPAREL EXPORTS? IN VALUE TERMS, ARE MOST U.S. EXPORTS BEING AFFECTED OR ONLY OCCASIONAL SHIPMENTS?

B. DO UPLIFTS OCCUR MORE FREQUENTLY FOR TEXTILE AND APPAREL IMPORTS THAN FOR IMPORTS OF OTHER PRODUCTS? LIMITED OFFICIAL USE

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C. DO TECHNICAL DUTY VALUATION COMMITTEES EXIST FOR OTHER PRODUCTS OTHER THAN TEXTILES?

D. CAN EMBASSY ROME DETERMINE THE PERCENTAGE OF ITALIAN TEXTILE IMPORTS FROM THE U.S. WHICH WERE IMPORTED THROUGH THE 12 PORTS PRIOR TO ESTABLISHMENT OF THE RESTRICTIONS?

7. OTHER ADDRESSEE POSTS SHOULD DETERMINE IF HOST COUNTRY EXPORTS ARE ALSO AFFECTED BY ITALIAN PRACTICES AND IF SO, WHETHER HOST GOVERNMENT CONTEMPLATE ANY ACTION VIS-A-VIS ITALY. CHRISTOPHER

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TEXTILES, STEELS, PORT CLEARANCES
Control Number: n/a
Copy: SINGLE
Draft Date: 11 aug 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Unique ID: 00
Drafter: RLEVIN
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780330-1037
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780872/aaaacim.tel
Line Count: 148
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 97d58264-c288-dd11-92da-001cc4696bcc
Office: ORIGIN COME
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 78 ROME 686, 78 ROME 2276, 78 ROME 8854
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Review Content Flags:
Review Date: 28 apr 2005
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Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1763509
Secure: OPEN
Status: NATIVE
Subject: ITALIAN CUSTOMS VALUATION AND PORT RESTRICTIONS
TAGS: ETRD, IT
To: ROME CANBERRA MULTIPLE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/97d58264-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
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EO Systematic Review
20 Mar 2014
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